

REVISED ANALYSIS

Author: Horton Analyst: Deborah Barrett Bill Number: AB 1418
 Related Bills: See Legislative History Telephone: 8454301 Original Analysis Date: January 23, 2006
 Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: FTB Compile Listing Of 250 Largest Tax Delinquencies & Make Public Record

____ REVENUE ESTIMATE CHANGED.

____ FURTHER CONCERNS IDENTIFIED.

____ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED January 4, 2006,
☒ STILL APPLIES.

☒ OTHER – See comments below.

SUMMARY OF BILL

This bill would require the Franchise Tax Board (FTB) to make publicly available an annual list of the top 250 tax delinquencies.

SUMMARY OF REVISION

Based on the resolution of the Implementation Considerations identified in the department's analysis of the bill as amended January 4, 2006, the department is now able to refine the costs associated with implementing the provisions of this bill. The department requests that the author amend the bill to include appropriation language for the department's costs to implement the bill. The remainder of the department's analysis of the bill as amended January 4, 2006, still applies. The Fiscal Impact and Technical Concern previously identified are restated below for convenience.

POSITION

Pending.

Summary of Suggested Amendments

Amendment 1 is provided to suggest appropriation language to fund the department's costs.

TECHNNICAL CONSIDERATION

On Page 5, Line 23 and Line 32, the word delinquency is misspelled.

Board Position:

____ S ____ NA ____ NP
 ____ SA ____ O ____ NAR
 ____ N ____ OUA ☒ PENDING

Legislative Director

Date

Patrice Gau-Johnson
for Brian Putler

7/24/06

FISCAL IMPACT

The department estimates a one time cost of \$162,000, with ongoing annual costs of approximately \$131,000. The department estimates incurring one-time costs for developing notices and reports, system programming changes and testing, and costs to send notices out by certified mail. The ongoing costs are primarily related to the manual activities of monitoring the accounts for activity that would qualify the account to be removed from the list within the required 5 business day timeframe.

Amendment 1 is provided to suggest appropriation language to fund the department's costs.

LEGISLATIVE STAFF CONTACT

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FRANCHISE TAX BOARD'S
PROPOSED AMENDMENTS TO AB 1418
As Amended 01-23-2006

AMENDMENT 1

On page 7 after line 2, insert

SEC.3. The sum of one hundred sixty two thousand dollars (\$162,000) is hereby appropriated to the Franchise Tax Board in augmentation of item 1730-001-0001 of Chapter 47, Statutes of 2006.